

# ANTITRUST CAUTION

The UCC is a membership organization. Many of its members compete with each other. The competition is both horizontal and vertical. This means that the UCC's every activity must be measured against the antitrust laws which proscribe combinations and conspiracies in restraint of trade, monopolies and attempts to monopolize, and unfair or deceptive acts or practices. These are very broad. Violations of the antitrust laws can result in injunctions, treble damage judgments, heavy fines, and even imprisonment.

Strict compliance with the antitrust laws is and always has been the policy of the UCC. The UCC exercises extreme care to avoid not only violation, but anything that might raise even a suspicion of possible violation.

An action, seemingly innocent when taken by itself, may be viewed by antitrust enforcers as part of a pattern of activity which constitutes an antitrust violation. Therefore, participants on UCC committees, task forces, work groups, task groups, or other similar bodies, must always remember the purpose of the committee, task force, or work group is to enhance the ability of all industry members to compete more efficiently and effectively to provide better value to the consumer or end user. However, because UCC activity almost always involves the cooperation of competitors, great care must be taken to assure compliance with the antitrust laws.

This means:

- Participation must be voluntary, and failure to participate shall not be used to penalize any company.
- There shall be no discussion of prices, allocation of customers or products, boycotts, refusals to deal, or market share.
- If any participant believes the group is drifting toward impermissible discussion, the topic shall be tabled until the opinion of counsel can be obtained.
- Meetings shall be governed by an agenda prepared in advance, and memorialized by minutes prepared promptly after the meeting. Both agendas and minutes are to be reviewed by counsel before they are circulated.
- Tests or data collection shall be governed by protocols developed in consultation with and monitored by counsel.
- The recommendations coming out of a UCC committee, task force, work group or task group are just that. Individual companies remain free to make independent, competitive decisions.
- Any standards developed must be voluntary standards.